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SUPPLEMENT TO  
REPORT NO. 25X1X

~~Many economic leaders and technical and engineering workers have~~

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their own ~~interests~~ ~~in the fulfillment of the plan~~, ~~and~~ ~~have~~ ~~not~~ ~~learned~~ ~~to~~ ~~exhibit~~ ~~the~~ ~~required~~ ~~flexibility~~ ~~to~~ ~~overcome~~ ~~these~~ ~~additional~~ ~~difficulties~~.

Also, the several Soviet officers have not yet rid themselves of clerical-bureaucratic methods of work, and have failed to correlate various facts pertinent to the fulfillment of the reparations plan. The government-approved plan has often failed to be referred by the SMA to the state SMAs and to the SAG Enterprises in time for execution; there were also no monthly directives establishing priorities for manufacture and delivery (Department of Reparations and Supply, Department of Economic Planning).

Notwithstanding the lack of some raw materials, especially metals, the SMA for Germany and the State SMAs have not fully realized the necessity of establishment of controls to utilize the available materials in order to fulfill the reparations plan as the top priority.

To assure the fulfillment of the plan, the German Economic Commission and the local organs of self-government have assisted only half-heartedly. Many employees of the SAG Enterprises have not attempted vigorously enough to execute Marshal Sokolovsky's Directive No. 234, and have not tried actively enough to mobilize the local German party and union organizations to increase working efficiency and labor discipline.

Some political organs and party and labor union organizations have not shown the necessary attention and energy in the effort to fulfill the plan, and have not counteracted the unhealthy attitude of individual workers caused by the complexity of labor problems under the changed conditions.

The Political Administration, the Political Section of the SMA staff, the party organizations within the Administrations of Machine Construction and Electric Power Production, Foreign Trade, and Reparations and Supply, and the Party Committee of the SAGs have not yet completely succeeded in coordinating political work with economic tasks, have not sufficiently used the Soviet methods of criticism and self-criticism, and for that reason have not helped to mobilize the initiative of all engineer and technical staffs of the SMA to overcome the difficulties and so to prevent the failure of the plan.

The "Party ~~Apparatus~~" comes to the conclusion that only through a thorough liquidation of the above listed deficiencies in our work shall we be able to overcome the serious lags in the fulfillment of the reparations plan.

The "Party ~~Apparatus~~" has decided:

1. To demand that all political and economic leaders and all Communists and Comsomols in the SMA radically change all practical work and furnish absolute assurance of 100 percent fulfillment of the Half-Year Plan's economic directives of the Soviet Union (as to reparations and as to profits), both according to quantity and especially according to quality and specifications of goods produced. ~~Private~~ ~~interpretations~~ made by individuals should be changed to resolute and ruthless elimination of delays and difficulties, in order to assure the satisfactory execution of the reparations plan. Questions by individual workers, attempting to hide their helplessness and causing additional difficulties, should be viewed as unworthy of Soviet methods. All SMA employees connected with

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the ~~execution of the reparations plan~~ are to mobilize the local reserves of the Soviet zone in materials and production capabilities, in order to assure 100 percent fulfilment of the reparations plan.

2. The party, the Comsomol, and the union organizations are to devote themselves to politico-educational and party-political work aiming at the mobilization of all workers of the SMA in order to arrive at the constructive solution of the problems of fulfilling the reparations plan; they are to remind every Soviet employee continually that the fulfilment of the reparations plan is his patriotic duty to his fatherland, helping his country in the fight to fulfil the Five-Year Plan, which will further strengthen his socialist fatherland. Criticism and self-criticism should be utilized in every way in order to eliminate red tape in the military administration and in the SAGs, simplify all work on the reparations plan, and elevate the responsibility of every employee regardless of what position he may occupy, and execute the orders of the Soviet Union.

3. To call the attention of Comrades Aleksandrov and Makarov (Departments of Machine Construction and Electro-Technical Industry) and Comrades Belogorlov (sic) and Shukin (Directorate of Soviet AGs) to the serious failures in the work of their departments, as a result of which important deficiencies occurred, preventing fulfilment of the reparations plan. They are to be held personally responsible for the lags in the effort to fulfil the reparations deliveries according to orders and in the required quality of materials.

4. To demand that Comrades Dubrovsky, Popov, and Zyablov immediately initiate work resulting in the fulfilment of the reparations plan as to the delivery of merchandise according to the requested type and quality. The tendency to hide the scarcity of supplies of raw materials should be eliminated; also the formal attitude toward the execution of the reparations plan should be eliminated.

5. To call the attention of Comrades Zamaraev and Belinsky (Department of Material Resources) to the fact that the tightening in allocation of metals for the second half of 1948 immediately showed itself in several undertakings concerned with the fulfilment of the reparations plan. To demand that Comrades Zamaraev and Belinsky organize a regular and timely allocation of materials and fuel and the maximum utilization of resources available in the Soviet zone.

6. To call the attention of Comrades Vikhin and Merinov (Department of Foreign Trade) to the non-fulfilment of the plan to import raw materials, especially metals, as a result of which industrial work fell off, thus causing the non-fulfilment of the reparations plan.

7. To demand of Comrades Zorin and Orlova (Department of Reparations and Supply of the SMA) that they liquidate the lag in work by timely allocations of orders and by immediate procurement of all technical documents in the planned allocations in the SAG Enterprises of orders of special importance to the Soviet Union. They are to organize systematic controls to assure the fulfilment of the reparations plan directives, to take steps to prevent the lag in the fulfilment of the plan according to specifications, and to keep reminding the leaders in the SMA about the delays in various SAG firms.

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8. ~~It is necessary to reform~~ the TsKVVP(b) that some ministries (Ministry of Coal Production, Eastern and Western Regions; Ministry of Metallurgy; Ministry of Heavy Industry) have not fulfilled their duties in reference to provision of technical documentation in accordance with the decision of the Council of Ministers who composed the directive making Germany supplement ~~the~~ Soviet metallurgical and general industry; thus these ministries have prevented the timely execution of an important decision of the chief executive.

9. In order to free the Soviet Zone of occupation in Germany from economic dependence upon the western zones, it is considered indispensable to lay down strict rules for the second half of the year in order to reduce the deficit in certain aspects of raw materials (fuel, metal), production, and equipment, and thus to prepare for a better execution of the 1949 plan.

10. To demand of the leading employees of the military komendaturas of the state SMAs that for the sake of the execution of the industrial production plans they shall strengthen their controls and subordinate them to the state and zonal authorities, and that all practical help shall be extended to the SAG Enterprises.

11. The "Party-Apparat" calls the attention of the administrative and industrial leaders to the indispensability of undertaking the education of the German workers and helpers. The local party and trade union organizations should make an effort to initiate labor competition in order to fulfil and exceed the production plans and to strengthen the discipline and efficiency of work.

12. Noting the disappointing propaganda for the Two-Year Plan of Economic Recovery of the Soviet Zone of occupation in Germany, the "Party-Apparat" imposes on the political organs and party organizations the duty of clarifying the meaning of the Two-Year Plan for Recovery and Development for the Soviet Zone for 1948-1950 and its economic and political importance, and also of organizing systematic controls to fulfil the plan.

13. There are already incidents of diversion and sabotage against reparations, and it is possible that foreign intelligence services and the fascist-imperialist underground will intensify their injurious work in the Soviet Zone of occupation. The "Party-Apparat" calls on all Soviet people working in Germany to increase their vigilance in cooperating in all ways in cleansing German officialdom and German industry of all hostile elements.

14. The "Party-Apparat" expresses its assurance that all Soviet employees of the SMA will fulfil the tasks demanded of the SMA and will worthily fulfil their patriotic duty to their fatherland.

25X1A [REDACTED] Comment: In the translation the following abbreviations have been used:

SMA, for the Russian SVA (or SVAG): Sovietskaya Voennaya Administratsia, Soviet Military Administration  
SAG, for the Russian SGAO: Sovietskoe Gosudarstvennoe Aktsionernoe Obshchestvo, Soviet State Stock Company  
TsKVVP(b): Central Committee of the ~~All-Union Communist Party~~ (Bolsheviks)

The following persons mentioned in the resolution can be identified:

Koval, K. I., Deputy of the Supreme Chief of the SMA for Economic  
Bokolovsky, M. P., ~~Deputy~~ Chief of the SMA and  
Supreme Commander of the Soviet Occupation Troops in Germany  
Aleksandrov, G. G., head of the Industry Department of the SMA  
Belogorodov, Maj. Gen. (nu), general director of the SAGs

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The following persons mentioned in the resolution can be identified:

Koval, K. I., Deputy of the Supreme Chief of the SMA for  
Economic Questions  
Gokolovsky, Marshal Vassili D., Supreme Chief of the SMA  
and Supreme Commander of  
the Soviet Occupation Troops  
in Germany  
Aleksandrov, G. G., head of the Industry Department of the SMA  
Belogorodov, Maj. Gen. fnu, general director of the SAGs  
Shukin (previously reported as Shuk), Col. fnu, Chief of the  
Administration of the SAGs  
Dubrovsky, Maj. Gen. D. G1, Chief of the SMA for Saxony  
Popov: perhaps Col. N. M. Popov, deputy to General Zorin in  
the Department of Reparations  
Mikhin, Col. V. K., Chief of the Department of Foreign Trade  
Zorin, Maj. Gen. L. I., Chief of the Department of Reparations)

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